



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

January 3, 2020

The Honorable Susan Collins
United States Senate
413 Dirksen Senate
Washington, DC 20510

Dear Senator Collins:

Thank you for your letter regarding the Commission's efforts to strengthen the Rural Health Care (RHC) Program and improve access to telehealth in rural America. As the son of two doctors in rural Kansas, I understand the critical role that broadband plays in providing patients in rural areas with high-quality health care services, including Maine. And as Chairman, I've seen the potential of telemedicine firsthand, from a Veterans Affairs facility in rural Lecanto, Florida to Hermiston, Oregon, where local health care providers are making a real impact on rural communities.

As you know, the RHC Program helps health care providers afford the connectivity that they need to better serve patients. We have taken several steps to extend the program's impact to those who may not otherwise have access to high-quality health care. For instance, we adopted the first increase to the program's budget in a generation. Specifically, in a June 2018 Order, the Commission increased the annual RHC Program funding cap by 43%, to \$571 million, starting with FY 2017; adjusted the RHC Program funding cap for inflation, starting in FY 2018; and established a process to carry-forward unused funds from past funding years for use in future funding years. Thanks to these measures, no rural health care providers seeking support from the Rural Health Care Program were capped in FY 2018.

In addition, we must always ensure that scarce federal funds are being well spent. After all, every dollar misspent by an unscrupulous service provider is a dollar not devoted to telemedicine and the patients who need it. That's why, in order to promote the efficient distribution of limited RHC Program funds, and increase transparency and predictability for Program participants, the Commission adopted a Report and Order at the FCC's August Open Meeting which reformed RHC Program rules. The Report and Order (1) reformed the distribution of RHC funding to promote efficiency and reduced aspects of the Telecommunications Program that encourage waste, fraud, and abuse; (2) streamlined and simplified the calculations of the discounted rates that health care providers pay for communications services and the amount of support received from the program; (3) directed the Program Administrator to create a database of rates that health care providers could use to quickly and easily determine the amount of support they can receive from the Program; (4) targeted funding to the most rural areas and those facing shortages of health care providers and ensured that eligible rural health care providers continue to benefit from program funding in the event that demand for the Program exceeds its funding cap; (5) simplified the application

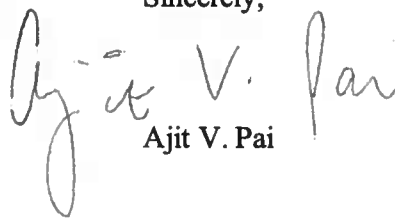
process for Program participants and provided more clarity regarding Program procedures; and (6) directed the Program Administrator to take a variety of actions to increase transparency in the Program and ensure that all applicants receive complete and timely information to help inform their decisions regarding eligible services and purchases.

Because these reforms were sorely needed to ensure that the limited federal resources in the RHC program continue to flow to the health care providers that depend on them, we were not able to accommodate your request to delay their adoption pending work on the structure of the Connected Care Pilot Program. I would note, however, that our adoption of these important reforms to the RHC program has not impacted our ability to focus on structuring the Connected Care Pilot Program to be an effective tool for advancing rural telehealth. As an initial matter, the Connected Care Pilot Program will be a distinct program from the existing RHC Program: While the RHC Program is limited to helping health care providers access communications technologies they need to connect with other providers and specialists, the Connected Care Pilot Program will be taking a fresh look at how the Universal Service Fund could use broadband to connect doctors directly to their patients. Moreover, our reforms to the RHC program were adopted in August at which time the comment cycle for the Connected Care Pilot Program Notice of Proposed Rulemaking had not yet closed. The RHC Program Report and Order therefore did not impede Commission staff's ability to work on the Connected Care Pilot Program proceeding.

In closing, we are confident that the reforms we have adopted will deliver benefits to Maine residents and health care providers who rely increasingly on telemedicine and telehealth solutions.

Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in dark ink, appearing to read "Ajit V. Pai". The signature is fluid and cursive, with the first name "Ajit" being the most prominent part, followed by "V." and "Pai".

Ajit V. Pai